(English)

Is it the pleasure of the House to give the hon. Member two more minutes so that he can finish his speech?

[Translation]

SHRI AMAR PAL SINGH : No, I will take five minutes.

(English)

MR. CHAIRMAN : All right, you can continue your speech after six o'clock.

Now, we can take up discussion on the Resolution moved by Shri Prabhu Dayal Katheria. The time allotted for the discussion was five hours. Already, four hours and thirty two minutes have been taken. Only twenty four minutes remain and there are many hon. Members to speak.

15.32 hrs.

PRIVATE MEMBERS RESOLUTION RE : UNEMPLOYMENT — *contd.*

[Translation]

PROF. OMPAL SINGH 'NIDAR' (Jalesar) : Sir, I support the Resolution moved by the hon. Member, Shri Prabhu Dayal Katheria which is regarding Small Scale Industries and unemployment. I will not speak much on this because you have told me about the time and long list of Members who are yet to speak. I want to mention a few points in short so that ruling side listens to me carefully and consider the suggestion putforth by me and improve the condition of lakhs of Small Scale Industries. It would generate employment opportunities. There are a number of shortcomings in our policies with regard to Small Scale Industries. The foremost in this regard is lack of will on the part of the Government. It pays more attention towards big industries. I don't understand its intentions behind it. Some times I feel that perhaps it wants to invest more money on big industries and bigger scams can happen there. They can get lot of income. And perhaps this is the reason that it has no will to do anything.

Sir, the second shortcoming is lack of Technical and General Education. They may produce whatsoever figures but the fact remains that our Technical Education has not touched the level which has been achieved by developed countries and developing countries should achieve. A number of small and big Technical Colleges and General Colleges are required to the opened in all parts of the country.

Sir, the third point is that there is shortage of raw material. Both of us come from neighbouring areas. Firozabad is known for Glass Industry. Jalesar for its Ghunghroo Industry and Agra for Foundry Industry. But there is no Depot or Centre in the area from where they could procure raw materials for their requirements.

Sir, the fourth shortcoming relates to lack of effective policy. The Fifth shortcoming is that there is shortage of such officers who are interested in solving the problem of people. I feel that the whole things has stopped. It has come to stand still. Every thing has been turned into stores. Administration lacks sensitiveness. No attention is paid whatever may be happening. What I mean to say is that administrative machinery lacks feelings of cooperation, because there is no co-operation for the development of industries, but if the Industrialists and specially small industrialists wish to generate resources Administration puts hurdles in their efforts. We complicate the matters by entangling into Rules or by taking help of figures. Sometimes morality comes in the way and we don't speak truth. Similarly Administration creates a number of hurdles and creates problems in the development of Small Industries.

Sir, one thing comes to mind and if we are able to solve it then there could be more development of small industries. More employment opportunities could be generated. Our country lacks means of transportation. Industries can not prosper with lack of means of transportation, their produce will not be sold, our people may be able to go anywhere. One more thing I specially want to point out in this regard. There is shortage of power. If power is available at the right time and right quantity small scale industry could prosper more and provide employment to more people. In addition there is lack of proper markets. In our country the small sector has to find itself for its survival, for searching markets, for selling their wares but there is not arrangement in this regard from Government side. At times Melas are organised but these do not provide much market. They merely provide recreation and help in sale of some of its wares as these are held maximum for 15 days.

Sir, I want to draw attention towards one more point the Government and Insurance Companies do not provide any protection to the small scale sector. A survey can be conducted throughout the country in this regard. Small Industries providing employment to a small number of people are not so much of protection as much is provided to big Industries. Nobody hears to their problems even. I can say it with authority nobody sitting here, be from ruling party or opposition or from beaurocracy can say where the Ghungroos that form part of the Payal worn by women are made. Nobody may be knowing in which area, in which tehsil, district or panchayat area or block these are made. When such a big Administrative machinery of a country is unaware

of this information how can you expect that this machinery would provide facilities? These Ghungroos are made in small Jhompries. Those people do it without any facilities being provide to them.

Sir, there is no provision to provide compensation at the time of recession. This situation can come any time and in any industry it can strike. Small Industries, who have shortage of funds with them, are unable to stand it. The Govt. should set up some such body which could help these small units at the time of recession. People are being harrassed in the name of pollution in my area, in area represented by Shri Katheria The Supreme Court has given a decision that use of coal should be stopped. It is a famous decision known as Taj Trapezium. No such thing which emits smoke can be used in 50 km. area around Taj Mahal. But that decision also provided that alternative power should be made available continuously for 24 hours. The Government accept one part of the decision but the small industries such as Glass, Foundary, Ghungroo manufacturing etc. have been closed. Crores of people have become unemployed and more are in the process. But arrangement to provide alternative sources of power, be it gas or electricity are not being made. It takes 10-20 days to get re-supply of gas. On the face of it we want that our industries should develop, people should get employment. We are dreaming of 21st century. It appears that we will continue dreaming. Neither small industries will grow nor people will get employment and nor country would develop.

Sir, I want to say one thing more in this regard. We do not have uniform policy regarding small industries in the country. The whole country should be treated as one entity and there should be a uniform Small Industries Policy. When such a thing happens regional imbalances would vanish.

Sir, I want to point out one thing to our Policy makers. Small Industries should be developed on the basis of local availability of materials. A particular thing is produced in a particular area and small industries related to that produce are set up thousands of km. away from that area. It increases the cost of transportation. In this manner we are not able to compete with other countries. Therefore small industries should be set up at the places where the raw materials required are produced. It would reduce the cost of production and we may be able to compete in any market. It would help increasing their sales, which would ultimately increase production, which in turn generates employment, increase purchasing power and consumption. All this would increase production and employment opportunities and prosperity to the country.

Sir, in the end I want to say that it would be better if will to act takes roots. It would be grace of God. Defamed professions like Lottery and Speculation destroy purchasing power and when purchasing power is destroyed sales would not take place. The both these are inter-dependent. When purchasing power goes down the sale do not take place with the result that articles produced continue to pile up and industry will be finished. Hence professions like Lottery and Speculation should be banned immediately. The future of the country is linked to these. Hence all efforts should be eliminate there. Today we are 90 crores, may be we may turn billion. Because our population is continuously on the rise. No technique is required for achieving this increase. I therefore want to say through you. Sir, that professions like Lottery and Speculation should be immediately banned so that their evil effects are checked.

Sir, if we want to provide employment, we are really interested in the development of small industries, want to develop this country, we are really interested in providing employment to poor, backward and opperessed, we have to revise our policy with regard to Small Industries. We have to make changes in conformity with the requirements of the country and in conformity to demands of Social Justice. I will read a few lines which show how much incapable we are, I mean how much incapable our administration is. These lines are enough to show us our actual position:

Jheel per pani barasta hai hamare desh mein,

Khet panni ko tarasta hai hamare desh mein,

Jindagi ka haal khasta hai hamare desh mein,

Doodh mehanga, khoon sasta hai hamare desh mein,

Ab vajeeron, afsaron our paagalon ko chhor kar,

Aap bolo koun hansta hai hamare desh mein.

Sir, I am grateful to you for the opportunity given to me to speak on this Bill. I thank all the hon. Members to carefully listening to me

[English]

SHRI PRITHVIRAJ D. CHAVAN (Karad) : Mr. Chairman Sir, I support the Resolution moved by Shri Prabhu Dayal Katheria with a minor alteration in the draft. He wants the Government to set up smalls scale units as mentioned in sub-section (ii). I think he means that Government should help in setting up small scale units. I do not want Government to start setting up small scale units it will be a major fiasco. It should act as a facilitator to set up small scale units by creating an ideal environment where technical entrepreneurs can set up these units in technology parks which is complete in all its infrastructural support like telecommunications

network, computer network, guaranteed availability of power and trained manpower. This is what the Government should do. Small scale industry is a very important sector of our economy. It has a very impressive performance of employing a large number of people. The number of jobs created in the small scale industry per unit capital employed is much larger than organised sector or large scale sector.

Sir, therefore, in a country which faces a large unemployment problem, small scale industries needs to be helped along and developed. Emphasis in the Government policies should be laid on the promotion of small scale industries.

Sir, there are various proposals to change the basic definition of the small scale industries. People have suggested that the limit of investment in the small scale sector should be increased to rupees three crore and some have suggested even rupees five crore. But I feel that time has come when the entire basis of categorisation of units as small scale needs to be changed. The present emphasis on the capital employed should be given up. But it should have a new basis for categorisation of the units as small scale and that basis should be the employment elasticity. We could easily find out the number of people employed in a unit per unit of capital employed — per lakh rupees or per crore rupees. Beyond a certain employment potential a unit should be categorised as a small scale and employment heavy unit irrespective of the cost of the plant and equipments. Therefore, if you go by this new definition, then we would see that the Government facilities are given only to the units which are not very highly automotive but to units which generate much larger employment for a given capital employed.

Sir, recently, I was visiting a part of Maharashtra where I visited a unit. It is a very large, modern and exportive unit. The unit has been set up with a capital cost of Rs. 650 crore but the total employment generated is only 400. While we need modern industries; while we need industries which produce high-tech goods, quality goods — goods which would sell in the international markets, goods which would conform to international standards such as ISO-9000, at the same time we also need to encourage units which generate a lot of employment. The village craftsmen who run the units in the micro sector needs to be trained and given facilities. Therefore, one of the points about which the Resolution says is about setting up of the Craftsmen Development Bank. It is a very good suggestion worth consideration by the Government. I am sure, the Minister of Industries would take this suggestion very seriously.

Sir, the second important point which I would like to mention is that most of the small scale units in the last 20 to 25 years have been started by technical entrepreneurs like engineers and others. There was a programme started by one of the former Ministers, Shri Mohan Dharia for creation of half a million jobs. This programme was specifically meant for creation of half a million jobs. This programme was specifically meant for engineering graduates. I am one of those persons who have benefitted from this programme. I have fairly long experience with the small scale sector and know what it is all about. The small scale industries started by the technical entrepreneurs, after a long struggle, have been successful and people have been able to launch them. But when time comes for the industries to grow, the technical entrepreneurs fall short of management capabilities and financial capabilities. When the unit is a proprietary unit, run by a single individual, they work for twenty hours a day and are able to set up the industry but when the time comes for the industry to grow as an organisation, the unit flounders and become sick. Therefore, I have a suggestion to make. The Minister could take up with the various Institutes of Management, something like the Indian Institute of Management, Ahmedabad, Calcutta and Lucknow. We have got excellent facilities of management education in the Government sector as well as in the private sector. There needs to be some focussed courses to train these technical entrepreneurs like the engineers who have become businessmen. They have to be trained into being managers in order to be able to handle finance, handle marketing, handle selling, handle banks and handle various Government policies.

This is where most of the small scale units flounder. Of course, the small entrepreneur who runs his unit on a day to day basis does not have the time for a very long course, and he cannot attend college for the two-year MBA course. What is needed is a small capsule course in marketing, in financial management, and in understanding the policies of the Government. These courses could be very short-focussed ones for one or two weeks duration. Some people need to be trained in computers, in the emerging information technology field so that they can manage their units better.

Today I do not find any emphasis given to training the young technical entrepreneur, the first generation entrepreneur, into modern management techniques. That is the reason why these units generally flounder. I, therefore, would specifically request the hon. Minister to take up with these Institutes of Management to design short courses of one or two weeks' duration where the first generation entrepreneurs could be enrolled and could be trained in the latest management techniques.

Talking of facilities for small industries, the small industrialist who does not have a large army of administrators an managers, has to run everything himself like designing the equipment, maintaining the

capital equipment, manufacturing, handling the labour, handling the Government liaison etc. That person is fed up with the army of Inspectors — sometimes 40 to 50 of them — who land at his premises at regular intervals. About the way these Inspectors interact with a successful small scale entrepreneur the less said the better. We have been talking about the single window clearance but that is all on paper. If real fillip is to be given to small scale industries, the hon. Minister must devise the methodology where a new entrepreneur — maybe a person with industrial experience, maybe a person who has returned from abroad, maybe a management graduate with experience in management or design — is saved the trouble of running from one Government office to another seeking various clearances and permissions. You should really try to bring the single window approval situation so that the technical entrepreneur who wants to start an industry and concentrate on manufacturing technology and quality is not required to fight the Government Inspectors.

In the era of liberalisation, the Inspector raj, the licence and permit raj was sought to be reduced. There is no licensing system for small scale industries but they have to face a whole army of Inspectors, and they have to fill hundreds of registers. Rules are never clear, they are changed from time to time and the entrepreneur is made to run from door to door. If that situation can be improved for the better, the small scale entrepreneurs, thousands of technocrats, thousands of young managers will take care of the growth in industry by themselves. What the Government must do is to care of the growth in industry by themselves. What the Government must do is to create enabling environment. The Government should play the role of a facilitator so that an ideal environment is set up for starting industries.

In Western countries beautiful technology parks are created. This is a far cry from the so-called industrial estates that we have in this country. If you just travel about 10 kms. ...

MR. CHAIRMAN : The time allotted for this Resolution was five hours which is over now. Is it the pleasure of the House to extend the time?

SEVERAL HON. MEMBERS : Yes.

MR. CHAIRMAN : Shall we extend the time by an hour?

SEVERAL HON. MEMBERS : Yes.

MR. CHAIRMAN : All right. The time is extended by hour. The hon. Member may continue.

SHRI PRITHVIRAJ D. CHAVAN : I was just saying that if you travel about 10 kilometres from here and go to the industrial parks in the Union Territory of Delhi, these industrial parks which are said to be the ideal parks for the whole country to look at are there. You can go there and see that they are now nothing but industrial slums. People are still trying to do a good job there. If a unit from Okhla Industrial Estate is given an export order and if the buyer happens to visit that area he will get so turned off with the conditions in the area that he will probably cancel his order. It is impossible to create quality goods in the environment which is nothing short of a slum. Therefore, I again urge upon the hon. Minister that if he is really serious about small scale industries — the spirit of the Resolution is that small scale industries are very important for employment generation in this country — he must look at the technology parks which are working abroad.

He should try to at least bring some semblance of order in the existing industrial complexes which are unfortunately run by State Governments. Also I think the growth centre schemes under the Ministry of Industry, to create such parks seems to have been given up. There are about 70 industrial growth centres identified in the country. But I do not see any industrial growth centres materialising. Ideal technology development park, where hi-tech industries, industries like software development, industries like electronics, computer, information technology, bio-technology can grow. All these industries of the new era; the so-called sunrise industries, the future industries of the 21st Century need a much different environment than that was thought of earlier in the concept of industrial estates.

With these few points, I support the Resolution and request the hon. Minister that he should pay some attention to some of the points raised during the discussion.

DR. K.P. RAMALINGAM (Tiruchengode) : It is my maiden speech on the floor of the House.

I am very happy since my maiden speech relates to the burning problem of the nation, that is, unemployment. India is the second largest country in population next to China. It is not a welcome fact to claim that we are the second largest country in the world in population. But we are proud that we are having more than sufficient manpower. Have we tapped this manpower all these years? No.

Unemployment may be classified into three categories. Educated unemployment, whether it is technical or otherwise, rural unemployment and under-employment. Unemployment among educated youth is mounting. There are technical graduates who are

unemployed like doctors and engineers, etc. Arts graduates who are unemployed, are still asking for employment. They are qualified persons who are doing menial jobs incompatible to their education also. The foremost task before the nation is to give employment opportunity to a large number of unemployed people.

We may take a lesson from Tamil Nadu model. In Tamil Nadu, the State Chief Minister and our leader, Dr. Kalaignar has announced a new employment scheme, that is, appointing large scale youngsters under 'people welfare worker' scheme. What is their work? Their main job is to promote self employment amongst the rural population. They are going to appoint 25000 women for propagation of prohibition. This recruitment is only to provide employment opportunities to unemployed youngsters and women.

Like that, in Central Government also, rural unemployment can be erased only by bringing more dry lands under cultivation. Cultivation is possible only when there is irrigation. Irrigation is possible only when national rivers are connected with each other. At least, if southern rivers are connected with each other, it will help the cultivation of the dry lands.

I want to mention another important thing, that is, our hon. Minister of Industry is bringing in a lot of industries and helping to start new industries with heavy investments.

16.00 hrs.

This will fulfil the employment opportunities to a certain extent. Every industry is having its own by-products. There are many chances for the growth of the small scale industries using out of the by-product. If an industry having a by-product is established in an area, the students and the youngsters should be educated in such a way that they themselves get employed in small scale industries which are being run out of the by-products. Putting science and technology exhibition in every District headquarters also will help for the promotion of the small scale industries. Educating the youngsters only will help to solve the unemployment problem.

With these few words, I conclude my speech.

(Translation)

SHRI RAMASHRAYA PRASAD SINGH (Jahanabad) : Sir, I fully support the Bill introduced by Shri Katheria, because Small Scale Industries Sector is like an industry providing employment in an Agriculture based country. Small Scale industries existed in our country right from the way beginning. You may be aware that when it was undivided India, partition had not taken place Dhaka Muslin used to be produced here. Those who used to work in small industries say that large quantity of this cloth used to be exported from here. A lot of foreign exchange was earned therefrom and lot of people were provided with employment, but today rural industries have been destroyed by big industries. They have no market of their own as a result of which they are almost finished today. Today a large number of people in India make handloom cloth. Those people are today leaving that profession. We should see what is their condition today.

Small Industries Sector is getting very weak in our country which is aggravating unemployment in our country. With the increase in unemployment the unemployed youth in the country is getting out of national mainstreams. They are going toward wrong paths. Country is spending a lot of money to save them from going towards wrong path. You may glance towards any direction, what is this Bodo movement. I come from Jahanabad. The area has a large number of poor unemployed youth; they do not have any jobs. Earlier they were running small industries which have now been destroyed. Black-smith who used to work here, were making agricultural implements. Implements made by them were used in Agricultural operations. I am not against big Industries but implements which were produced by small industries are todays being produced by Tata and Birla. Small hoe (Kudali) was made by them and now is being made by Tata-Birla also. But the quality of the both is different. Both perform same functions but appearance is different. People adopt beautiful appearing things which are produced by big companies and goods produced by blacksmith are not sold. They have left their professions. Those who were earlier making hoes are now making guns which are being sold to terrorists. It is creating problem for the country.

I want that Government should pay attention towards small industries. Economic liberalisation has brought Multinational Companies to our country. These companies would sell even packed good. Small hotels which are in business today will be closed because packed food would be comparatively cheaper. In that case people will prefer cheaper food. I want to point out this thing to you.

Hon. Minister for Industries is present here. He should consider over this that what is the condition of Small Industries today. If small industries have to the remained today then first of all we have to put our resources to proper use. We are not short of resources. Whatever resources we possess could help us. You can see what is happening. Those who work do not prosper

but plunders prosper. We feel that ours is a poor country. A number of people said that so long Lok Sabha is there people will come and make statements. But simply making statements is not enough. Great intellectuals and economists are also sitting here but nothing is being done. We have to tackle corruption first before we utilize properly our meagre resources. Unless corruption is finished from the country small industries may not be able to develop despite whatever amount you may spend on their development and unemployment problem may not be solved. The country may continue to run in this manner.

With these words I stop my speech.

[English]

SHRI P.C. CHACKO (Mukundapuram) : Mr. Chairman, Sir, I am grateful to you for this opportunity. Sir, continuously, on the successive third occasion, this House is discussing a very vital topic regarding the promotion and encouragement to be given to the small scale industries.

Sir, before I say a few words about the most important topic before us. I would like to congratulate Shri Prabhu Dayal Katheria who was brought this Resolution. Very rarely such resolutions come before the House where a procedural formalities even though we will agree with the essence of the Resolution, we always advise them to withdraw the Resolution after taking into account the necessity or agreeing with the essence of the Resolution. But here we can depart from the past, probably if the hon. Minister of Industry agrees and the House can unanimously adopt this Resolution. I find no reason why we should not do so because the importance of the small scale industries as being highlighted through this Resolution in a befitting manner.

Today we are living in an age of modernisation liberalisation, globalisation and all such things. All these things are very much essential to the development of our economy and we are all struggling hard to take our economy and integrate it with the world economy.

The Indian situation is such that if we are isolated from the world economy, we cannot grow beyond a level having assessed our role for the last almost 50 years now, we have come to the conclusion that we have to integrate our economy with the world economy. In that situation the relevance of the small scale industry should not be lost sight of.

I am very happy that we have today a Minister of industry who can understand the significance of this Resolution and the topic which we are discussing because, most often, when we are too much involved in the industrial development aspect, which is mainly pertaining to the large industries and the foreign direct investment and various other things, always the small things are lost sight of. That happens everywhere. The small scale industry in India today is struggling as never before because of certain problems which are plugging this sector. If we do not attend to this sector with immediate effect, then probably one of the most flourishing sectors of our economy may be crippled further. Today our statistics say and I will also vouchsafe that a major portion of India's industrial export is not coming from the major industry, but it is coming from the small scale industry. That is the point where we can understand the importance of this industry and also the employment potential generated by it. Large scale industries are coming; foreign direct investments are coming, but the modern industries which are investing Rs. 500 crore or Rs. 1,000 crore, they are all automatic or computer controlled, etc. and the employment potential from them is very little.

I know an example. In my constituency where an investment of Rs. 600 crore was made, the employment is provided to only 50 persons. So, this happens to be the modern industry. Probably, there is no way out of it. So, the employment potential in a country like India where educated unemployment is the biggest curse to the society, is maximum available in the country and that is the most important factor.

My friend, Shri Prithviraj D. Chavan has highlighted a point and I am sure the the hon. Minister of Industry has taken note of that. So, we have to think seriously of changing the definition of small scale industry. Now, it is being defined on the basis of the capital investment.

In a recent reply made in this House, the hon. Minister of Industry has said that no step has been taken for increasing the limit of the small scale industry from the existing limit of Rs. 75 lakh to Rs. 3 crore. There may be some procedural wrangles and it might not have come to the notice of the hon. Minister. In the very same House the Government, whether it is the United Front Government or a Congress Government — Government is a continuing mechanism — in the Tenth Lok Sabha, I remember, the then Minister of Industry said that the limit of the small scale industry is being revised from Rs. 75 lakh to Rs. 3 crore. As far as the capital investment is concerned, the limit is Rs. 75 lakh and this limit was decided some 20 years back. However, because of escalation of cost and so many other factors, this amount of Rs. 75 lakh cannot be now today decided as the limit for a small scale industry. So, it should be raised to a minimum of Rs. 3 crore. That suggestion is already being discused and debated in various fora and, I am sure that

the Minister of Industry is very well aware of that and a formal decision in this matter is very much essential because it has been a long pending issue before the industrialisation problems of our country.So, I am sure that the hon. Minister of Industry will lose no time to take an early decision that at least Rs.3 crore is decided as the minimum limit for the small scale industry.

As my friend, Shri Prithviraj D. Chavan has said, we should club the employment potential also when we decide the definition of the small scale industry. That point is amply made clear by him. So, I am not going to repeat it again. But I come from a State where educated unemployment is the maximum in the country; where the registered Employment Exchange rolls are running into lakhs and million. So, whichever industry which provides more employment opportunities should be given more incentives. Now a package of iincentive is being introduced by various State Governments and, I think almost all the State Governments are giving various package of incentives. Now, people are losing interest because of the subsequent development after the New Economic Policy. There is a tendency to ignore this sector. That should not happen because in our industrial economy, the importance of this sector is not going to decrease and it is only going to increase.

With that view in mind, if the Government of India can codify this and make some kind of uniform arrangement as far as this package of incentives is concerned, that will go a long way to help the small scale industries. Some items of the package of assistance being extended to various industries are tax holidays, tax exemptions and investment allowances. We have been listening for a long time about the entrepreneurial training, raw material assistance, raw material banks, single window clearance. But as the hon. Minister of Industry knows, the single window system is not functioning anywhere in this country though we have been hearing this for the last 25 years that various State Governments are saying that it is all single window clearance.

Sir, anyone who passes out of a polytechnic or an engineering college as a technically qualified and competent person and thinks of starting his own industry, he will be landing in trouble. That kind of situation is there. From the very registration, procedures start the agony of the entrepreneur. If he goes to register an industry, it needs 101 clearances from environmental angle, from *panchayats*, from municipalities and from various other agencies. Once you get it registered, even to get a telephone connection, to get a water connection or to get an electricity connection, it takes an unreasonably long period of time. So, what you are investing is keeping in view the gestation period. When your gestation period is extended for such reasons which are beyond your control, what will happen to you?

It is said that the money is the costliest in this country today. In no bank, money is available at an interest less than 16 per cent. A bank says that they are giving money at interest of 16 per cent. What does it mean? It means that it is 16 per cent plus various other charges. All these things put together will finally make the 16 per cent as 18 per cent. No small scale industry with so much money can reach the break-even level. No industry can have that kind of a margin. We cannot think of any industry or any business which is generating more than 18 or 20 per cent profit. So, the entire profit that you are making is going to be eaten up by this interest regime. So, Sir, there has to be a subsidy scheme by the Government of India for subidising the interest rate. I am not saying that the Government of India has not introduced a system of investment subsidy. The problem with the investment subsidy is that if the requirement is of Rs. 100 crore, your provision may be for Rs. 10 crore and hardly 10 per cent of the applicants may be getting your in vestment subsidy. This is happening in various State Governments. They are announcing schemes but the provision made is very small. Even as far as the Government of India is concerned, the requirement is X and what is provided for, including various incentives, tax benefits and all these things put together, is Y which is comparatively a very small figure. This happens.

So, Sir, probably the institutional finance which is available in the country, a separate banking institution, SIDBI is formed for small scale industries' financing. But from no bank, from no Industrial Development Corporation in the whole country, you can get money at an interest less than 15 or 16 per cent. What are these banking institutions doing? They will simply reach their targets by some cooked up information. If you ask for a report whether they have reached the priority sector—the priority sector includes various other things also—they will somehow reach their targets and the real small scale industry is always finding it extremely difficult to get finance from industrial financing institutions.

Probably, there is one area of interest subsidy which can help small scale industries. Suppose a subsidy of two or three per cent is given for industrial loans, that will go a long way. At the same time, the Government of India's commitment will not be too much. Since we cannot finance the entire capital or the working capital requirement, even the interest subsidy scheme effectively implemented throughout the country will go a long

way in helping the small scale industries.

At the same time, Sir, we have been giving some kind of protection to our small scale industries for the last so many years. Unfortunately today, because of the new situation which is being developing in this country, this protection is going down. There are many items reserved for the small scale industries, but the encroachment is continuously being done where the large-scale industries under some pretext or the other are encroaching into the reserved area of the small scale industries.

If that is happening what action have you taken? I have not come across a single instance where the Government has taken action against the medium and large scale industry which is producing the products reserved for the small scale industries. That is happening. They are reaping this benefit. So, certain areas which are reserved for the small scale industry should strictly be adhered to and they should get all the benefits.

Another thing is that there are raw material and marketing problems. We have been giving some kind of marketing support and advertising support. We are living in a very competitive environment today. It is not the sellers market. It is always buyers' market. So the small scale industry has to compete with the medium and large scale industry. Today, after the opening up of the economy, the multinationals are also coming and they are also to an extent competing with the small scale industry. So, the Government should enable our small scale industries to stand on their own legs. Protectionism should continue. I am not arguing that the market forces should not decide and unhealthy protection should be there. I am not arguing that because, this old system is also giving rise to a lot of corruption and other things. At the same time, if strictly decided which are the products reserved for the small scale industry and which are the incentives available to the small scale industry under no circumstances such benefit should be taken advantage of by the medium and large scale industry.

Sir, we have a responsibility towards small scale industry. An entrepreneur starting his own factory has to take 101 clearances right from registration to the production stage. He has to run from pillar to post. Nobody is there to help him. If something has to be completed in 20 months and it is going to be extended to 30 months, then what happens is that the whole thing becomes unviable. It becomes a still born child.

In most of the States, electricity is a big problem. After completing everything and after installing the machinery and other things, you cannot get electricity connection. This is happening. What is the priority? You go to any State Electricity Board, this is the position. We may say so many things that all kinds of priorities are there, but I can tell you from my experience that in the State from where I am coming, there is absolutely no incentive from the Electricity Boards for the small scale industry. In fact, it is a disincentive. So, after you set up your industry and you are ready to go to stream, at that time electricity is not available. These kinds of bottlenecks and hurdles are to be overcome on a day-to-day basis by the entrepreneurs. But that entrepreneur is being penalised by all kinds of Governmental agencies. So, from the single window clearance system up to the marketing support whatever can be offered or whatever can be given by the Government should be given to the small scale industry. The Minister of Industry may kindly consider what are the benefits available, what are the loopholes, how they can be plugged and how the industry can be effectively helped. This kind of codification of the facilities and strict monitoring of the facilities available to the small scale industry is necessary. Whenever we think of small scale industry we cannot think of a situation where small scale industries' opportunities are not being taken away by other medium and large scale industries. If these two-three things are taken care of then comes the craftsman or the traditional industry.

In our country we are not having only large and medium scale industries but we have traditional industries also. The traditional industries are one area where largest number of people are given employment whether it is jute or coir or cashew. All these traditional industries are also essentially small scale industries. At the same time, they have the maximum employment potential. These traditional industries are facing crisis situation today. Sir, we are not giving any kind of support to them. Whatever support was available from the State Government or from the Central Government is gradually being vanished. You take any industry in any State, it is struggling hard to survive. That kind of a situation is there. So in the historic perspective of the country and the historic background of India, the industrial development did really start with the traditional industry. Then it came to small scale industry and then to medium and large scale industries. So, we should not allow this traditional and small scale industry sector to be choked to death. That kind of a situation is prevailing. So, I request the Government that a definite policy for protecting small scale industry is necessary.

Now, after the presentation of the new Budget, the small scale industries are facing some new problems.

Whenever you are altering the tax pattern, whether import duty or excise duty, you should be very careful that it should not affect the small scale industries. I am

sure that the hon. Minister is aware that from the non-traditional raw materials, the small scale paper manufacturers were having a particular slab of excise duty. But now the large units and the small units are treated in the same fashion after the new Budget has come. What is happening? Big industry, with all their infrastructure and paraphernalia, is competing with the small scale units. This is happening. The problem which the medium and small scale paper industry are facing today is a typical example. I have only to point out one example. So, the excise duty, customs duty or import duty, all these duty structures, are being changed. We should be very careful that it is always to the advantage of the small scale industry. Wherever and whenever it has affected the prospects of the small scale industry, it is the duty of the Minister of Industry kindly to see that these hardships are avoided.

The Budget will be finally passed. Maybe the reply is coming on Monday. There are a number of items which we have brought to the notice of the Minister of Finance. We want the support of the Minister of Industry because it is primarily his duty to see that wherever the change in the tax structure is effected in the small scale industry, that should be altered and amended in such a way that they are given some kind of protection. So the traditional industry and the small scale sector which are employing the maximum number of people in the country and which are contributing to the largest portion of our industrial export, these two sectors should be given the top priority. Under no circumstances, the protection hitherto available to this sector should be taken away because of the new environment of the new economic situation. A careful consideration should be given to this sector. That is my only request to the hon. Minister.

Once again, I congratulate Shri Prabhu Dayal Katheria for this commendable Resolution and everybody in this House will agree that this Resolution should be passed and implemented with all sincerity.

[Translation]

SHRI GULAM MOHD. MIR MAGANI (Srinagar) : Sir, so far as industries are concerned unemployment has increased in Jammu and Kashmir on account of closure of factories due to terrorism. A large number of youth are unemployed. I would request the Government as well Minister of Industries the factories which were earlier working in Jammu & Kashmir should be re-opened so that unemployed can be checked.

So far as Banks are concerned the youth have to face a lot of difficulties in obtaining loans which are given to unemployed youth. They are required to wait for a year. I request the Hon. Minister that procedure in this regard may be stream lined and the unemployed youth maybe given loans and employment may be provided to them.

So far as H.M.T. Watch Factory is concerned, which earlier provided jobs to thousands of people, is presently lying closed. Peace is slowly and slowly returning to Jammu & Kashmir. Democracy is being restored. Parliamentary elections have proved that the situation is improving there by and by. Because of this improvement Assembly Elections are also scheduled to be held there shortly.

Tourism used to provide employment to lot of people in Jammu & Kashmir, but today this activity has virtually come to end. I request the Government to revive this activity. People have become unemployed due to terrorism continuously for 7 years. I request the Government that full attention should be paid towards this and situation improved. With this I support the Resolution.

[English]

SHRI SUDHIR GIRI (Contai) : Mr. Chairman, Sir, I rise to support the Resolution. The objectives of the Resolution have ben described.The obejctive of this Resolution is to develop the small scale industries. And for the development of small scale industries, the Mover of the Resolution has put forth some reasons. The reasons given are that for the purpose of eradicating unemployment and creating employment generation, the small scale industries are required to be developed. He has suggested about some means. These means are that the Central Government should make available financial assistance to the small scale industries. He has also suggested that large investment must be made in the infrastructure sector. He has also suggested that the production made in the small scale sector should be reserved for the small scale sector only and the large or medium scale sector should not intervene in this.

And, for this purpose, he has also suggested the setting up of National Craftsmen Development Bank which will create facilities for the small scale sector industries.

Sir, I feel that the small scale industries have a great importance in the Indian economy, not only for the purpose of creating employment or for the purpose of checking the unemployment problem, it is also needed for other wider reasons. It is needed for the purpose that these sectors account for 40 per cent production of the total manufacturing industry. It is the sector of the industry. Forty per cent of the total exports are done by the small scale sector industries. During

1994-95, the export was to the tune of Rs. 26,000 crore and the objective and target fixed for 1995-96 amounted to Rs. 30,000 crore. So, in the field of Indian economy, its role cannot be denied by anybody. Not only this, massive people's participation can be ensured in the small scale industries whereas in other industries such massive scale participation of the people cannot be possible due to which targets also cannot be achieved there.

Not only this, there are some other very important roles which the small scale industries have to play. The development of consciousness as regards nature, removal of superstition, eagerness for learning scientific words, spirit of cooperation, aspiration for better standard of living and ambition for achieving individual freedom — all these qualities can be achieved by the people who are moving forward for the small scale industries development. And for this, participation of the masses, participation of the people in this sector is really the most important.

So, Sir, I think the importance of the small scale industries in the perspective of the Indian economy is very much essential, in the sense that it is acceptable to all. In a word, I may say that the human development problems can be solved to some extent through the development of small scale industries and the people can also get the first-hand knowledge of technologies which have been invented throughout the world.

But there are some problems. The main problem is due to inadequate flow of institutional credit. This has been narrated by all the speakers, I think. The financial institutions are very much miser. They do not take into consideration the application or the prayers of the small scale industry producers. So, the Government must ensure the adequate flow of credit to the small scale industries by financial institutions. We should see that the financial institutions are compelled to provide credit facilities to the small scale sector.

Secondly, there is a problem of non-availability of quality raw-material. This is a major factor. Generally, varieties of designs can be found in the small scale sector but the quality raw materials are not available in the market. And, the people, the artists who can develop different varieties of designs, are found to be in the grip of the greedy businessmen, who can purchase their designs.

The third issue is that infrastructure is not provided and that is why the small scale industries do not get proper advertisement. They are not given adequate opportunities to get themselves known to the people of different communities. In some cases it has been found that the small scale industries cannot keep pace with the inventions that are taking place in the modern world. So, these problems have to be circumvented. The Government, for the purpose of solving these problems, have evolved some policy initiatives to help the small scale industries in overcoming these difficulties.

The Government had appointed the Nayak Committee and that Nayak Committee had reported that the RBI should make available adequate and timely flow of credit to the small scale industries. Still, improvement of the credit flow is necessary for setting up of industrial infrastructure development centres. The Government is helping them with only Rs. 2 crore. This amount should be increased. In the perspective of the increasing prices and inflationary pressures, the small scale industries should be given more funds so that they can create their own resources for developing their industries.

I would like to bring to the notice of the Government that recently the big industrial houses in the Indian industry are poking their nose in the matters related to the small scale industries. Even multinational corporations are being permitted to come to the backward areas and see if they can create credit flow and make it available for small scale industries. As a result of this, stiff competition would be there. The small producers would not be in a position to face the stiff competition. I would, therefore, urge upon the Government to consider all the aspects and not be pressurized by IMF and the World Bank advisers and not follow their diktats. Our Government should follow the principle of self-reliance. Self-reliance would definitely create conditions which would be congenial for development of small scale industries.

I hope that the Government would pursue the matter in the light of the CMP, which has been adopted by them.

[Translation]

SHRI NAND KUMAR SAI (Raigarh) : Sir, thank you very much for providing me an opportunity to speak. In fact small industries can play a vital role in balancing the overall economy in our country. Unfortunately these years we have not paid any attention towards this. 5.6 per cent growth has been reported in it during 1992-93. 7.1 per cent growth is reported to have taken place during 1993-94, but when we look towards the ground realities it appears to me that medium industries are turning into small industries. With the arrival of Multinational Companies in the country the medium industries are turning into small industries. This percentage includes from industries as well.

If we have to keep balance in the economy of the

country we have to give due importance to small and cottage industries in all respects. Hon. Minister has given a number of suggestions here. If small industries are not set up along with big industries people would not get jobs and if they do not have jobs they will not have money in their hands and if they do not possess money they may not be able to purchase goods produced by big industries. Hence you have to maintain economic balance. And if it has to be maintained you have to give encouragement to small industries. Hon. Member of Parliament, Shri Ramashray Prasad Singh is not present here. He was talking about Dhaka Muslin. In earlier times Dhaka Muslin was produced in our country in small industries. A bundle of Dhaka Muslin could be put in a Matchbox. When Britishers came over to our country they had to sell here cloth produced in Lancashire and Birmingham Mills. They therefore cut off the hands of artisans who used to produce Muslin so that they were not able to produce Dhaka Muslin and the industry could be destroyed once for all. Many a similar industries existed in our country.

You go to Kutab Minar in Delhi you will see that the Iron Pillar standing there has not been affected by rust. Who were the artisans who made it. The hon. Minister should look into this. We have recently read in newspaper that Sugarcane growers had to burn their produce because you are neither paying them full amount nor are you allowing him to put his produce to alternative uses. I come from Raigarh. Tomato cultivation is done there. I want to tell you that during the season 700 to 1000 trucks load of tomatoes come there in the market. Tomato growers are not able to market their produce. Here in urban areas tomato is sold at Rs. 20-30 per kilo, but there is nobody to lift the same free.

Residents of 20 villages in Ludeg District in Madhya Pradesh were provided training. I want to say that they may be provided small machines for setting up of village industries and small industries may be set up there so that all of them could get work. Small industries may be set up to make tomato ketchup from tomatoes, to make sauce and arrangements may be made to fill the same in bottles in these small industries. The Government should make arrangements for the marketing of the same. The earlier Government in the State had made a beginning in this regard but after the coming into power of the present Government the efforts came to naught. There are thousands of such things in the country which could provide employment to crores of people. The Government could provide them money, but it does not pay any attention towards this.

Sir, today the urge to become rich has given birth to materialism in the modern world. This tendency is taking the whole world to which directions. Nobody wants to do hard work today. Harshad Mehta became billionaire overnight. Similarly everybody is running after money. Nobody wants to do labour. Pandit Deen Dayal used to say that we have to establish dignity of labour in the whole country. Whether somebody is rich or poor, whether he is a capitalist or a labourer everybody should know dignity of labour.

These views of Pandit ji are more relevant today, but nobody pays any attention towards these things. This is the reason that if big industries are set up all types of cooperation is extended but small industries are neglected. These industries are not extended co-operation when they start operations. The Resolution moved by Shri Katheria is worth welcome and I support it.

I would like to point out its ill-effects. Big Industries are situated in Towns whereas raw material is available in rural areas. Urban people are earning crores of rupees out of those industries whereas the people living in the areas where raw material is produced are leading poor life. I want to cite an example in this regard. Jal Seed is produced at a number of places in the country but solvent plants to use these seeds are set up in big cities like Bombay, Calcutta, etc. The areas where these seeds are produced and the people who collect the seeds do not get remunerative prices. Today those people are merely getting Rs. 1.50. People have become rich by setting up Solvent Plants. Hence the plants should be set up in concerned areas, where relevant raw materials are produced. Agriculture and mineral based small industries should be set up all over the country only then the economy of the country which has gone out of rails could be brought back on rails. The whole imbalance in the society in which there are Millionairs and billionairs on the one side and large number of those people who have to survive merely on 5-10 rupees. We have to ponder over it seriously and take effective steps to properly implement it.

Sir, there was a time when the village was a self-reliant unit, farmers used to produce grains and other artisans such as blacksmiths, cobblers, washermen, carpenters used to do their respective jobs. But today these industries have vanished and big industries have taken their place. We did not encourage those artisans. They became jobless. Those who were weaving cloth on small looms those looms are not being put to use these days. They were needed and clothes produced by them were exported. Silk and Kosa cloth produced in villages was in great demand. Even today these cloths are in demand. These have their own market in world market. We can earn a lot of foreign exchange through export of carpets. If rural economy is linked with

modern new techniques this country can easily stand on its feet. Economic revolution, employment oriented revolution could take place and nobody will starve of hundgar.

Even the Budget is imbalanced. On the one side is a rich man and on the other there is a poor man. The disparity between the two should be removed and budget improved accordingly. There is a need to adopt correct approach in this regard. There is a difference today between the face of a poor and a rich man, difference between the cloths they wear only because of this economic imbalance :—

"Ek taraf Samridhi thirakti,

ek aur hai Kangali,

Ek deh per ek na chithara,

ek swarn ke gahno vali"

This is the condition of our country today.

[English]

MR. CHAIRMAN : Now, we had extended the time for this Resolution by one hour. That is also over. There are five more Members to speak. So, is it the pleasure of the House to extend the time for another one hour?

SHRI PRITIVIRAJ CHAVAN : But, Sir, you must allow the next Resolution also to come up.

MR. CHAIRMAN : We will extend the time by one hour in which all the five Members can speak for five minutes each and then the hon. Minister will give his reply. The next mover is ready in the House waiting to move his Resolution. I think we must give him an opportunity.

The next speaker may kindly confine only to points for five minutes so that we can finish this Resolution today. So, the time is extended by one more hour.

[Translation]

SHRI NAND KUMAR SAI : Sir, if the Government has made some efforts to set up small industries or tried to help people to stand on their feet hindrences were created. Finance Development Corporation has been set up to help Tribal unemployed youth in Madhya Pradesh. If any youth tries to acquire a vehicle he is provided assistance. I have seen they are given assistance to purchase Mazda and Swaraj Vehicles whose spare parts are not available in villages and small towns. These are foreign vehicles. I wrote to Director that those people are not much benefitted that they are forced to buy foreign vehicles with the financial assistance provided by the Central Government. I told him to help them in purchasing Tata vehicles whose spare parts are easily available everywhere.

Sir, number of Jhompries is increasing in cities. There are no jobs available in villages and resources are available in rural areas and being utilized in urban areas, with the result that new problems are cropping up in urban areas. Sir, as I do not have much time I would request the Minister to set up small industries in villages. Small industries may be directed towards villages and new economic order may be created in the country by setting up a number of cottage industries in the whole country. Mr. Chairman, Sir, through you I would like to say :

"Chalo jahan nirjan kanan mein van kusum muskate hein,

malyaril bhoolata bhoolkar jahan nahin ali jaate hein,

kitne deep bujhe jhari jhurmat mein jyoti pasaar,

chale shunya mein surbhi chhorkar, kitne kusum kumar"

Sir, I want to request the hon. Minister through you let us move towards villages. With these words I support this Resolution moved by Shri Prabhu Katheria

[English]

SHRI K. PARASURAMAN (Chengalpatu) : Sir, I rise to speak on the Resolution moved by Shri Prabhu Dayal Katheria on the problem of unemployment and how to check the growing unemployment situation in the country. I am happy to say that this is my maiden speech and I take part in this subject which is already discussed elaborately by the leaders of this august House.

Sir, in this connection, I would like to point out that in a country like ours, unemployment among the youth has become a perennial problem and the Central and State Governments in the country have been taking concerted efforts on a warfooting to solve the problem. But we find that the problem could not be solved fully. On the other hand the number of unemployed youth has been swelling year after year.

MR. CHAIRMAN : You are not expected to read out. You can refer to the points and speak.

SHRI PRITHVIRAJ D. CHAVAN : Sir, he may be excused as this is his maiden speech. He may kindly be allowed to proceed.

SHRI K. PARASURAMAN : Over the last 50 years

of Independence, though growth has taken place in several sectors of economy and per capita income has increased, the increasing number of unemployed persons,. particularly educated unemployed youth could hardly be arrested.

17.00 hrs.

Sir, my friend Shri Katheria has urged upon the Government for the provision of financial assistance to the existing small scale industries. In this connection, I would like to remind the Government that it should consider the provision of financial assistance to those small scale industries which produce goods for large scale consumption by the weaker sections within the country and also for goods produced for export purposes for earning foreign exchange.

Sir, the transportation of goods produced in the remote corners of the country has been very difficult and, therefore, the small scale units could not market their goods and ultimately become sick. Government should give over-riding priorities for the provision of Infrastructural facilities like land, road, electricity, marketing of goods produced in small scale units, cheap transportation facilities, bank loans at a very normal rate of interest and advertising of goods produced in the small scale units through television and radio. In States like Tamil Nadu, long coastal areas and forest areas should be reserved only for establishment of small scale industries. The craftsmen, the artisans, educated self-employed youths, ITI and polytechnic certificate holders should be given sufficient loans by a Development Bank separately set up for this purpose.

Sir, coming to my State of Tamil Nadu, in Government offices like ICF, Railways, Ports, Telecommunications, Postal Department, Atomic Energy Organisation, Kalpakkam, in DAE, CORPS ICCAR, PRP, WIP, CWMF, GSD, KARP, MAPS, PROTECTS, etc., thousands of vacancies are lying vacant in various categories. I would like to plead with the Central Government to take immediate action to fill up these vacancies so that unemployed youths in the State may get employment.

17.02 hrs.

(MR. DEPUTY SPEAKER in the *Chair*)

Sir, in Kalpakkam, in case of the these projects, the Government had promised that the sons of the soil would be given employment after the establishment of the above projects. But the Central Government has not kept its promise. It is because the Recruitment Board for this Organisation is located in Bombay and persons belonging to other States have been given priority in employment in this Organisation setting aside the promise given by the Government. Government should take immediate action in this matter otherwise the youths in the district would get frustrated. The Recruitment Board should be shifted to Kalpakkam immediately so that the local people could be provided with employment in this Organisation.

Sir, Tamil Nadu has a long coastal area and production of salt under small scale could be given importance not only in the production of kitchen salt but also for salts that are used in the production of life-saving drugs can be considered. Necessary financial help could be extended for this purpose and coastal areas should be reserved for it. Likewise, Government should come forward to provide all facilities to fishermen by making provision for unsophisticated technology for processing marine products so that they could be exported and foreign exchange could be earned. A lot of cashew nut is produced in my constituency. Small industries could also be set up for the production of cashew nut and extraction of oil.

Sir, my constituency consists of six Divisions. Out of this, two have already been declared as backward and other four Divisions are yet to be declared as backward. I would request the Government to issue orders declaring these four Divisions — Thirupporur, Chengalpattu, Acharappakkam, Uthiramerur — also as backward so that all facilities including financial help may be provided on priority basis.

Sir, NRIs may also be entertained in my constituency since Chengalpattu is adjoining Chenai, the capital of Tamil Nadu. Moreover, under Jawahar Rojgar Yojana more funds should be provided for agricultural labourers. Under PMRY scheme, each educated unemployed youth may be given a loan amount of rupees one lakh through public sector banks. But the bank authorities are creating a lot of problems by insisting security from these youths. Whereas we have been receiving complaints that banks are giving loan to certain persons without much fanfare and are thus showing partiality.

I would urge upon the Government to instruct the Banks to provide loans to all, without showing any partiality to anybody, whoever he may be. Two decades ago, Tamil Nadu was number two in the country in industrial advancement. Now, the State has slided down to the 14th place. All this is due to this neglect of the State's interests by the centre at various stages. With the Centre's kind and considerate attention to the State now, I believe that Tamil Nadu can definitely go back to its original position in industrial advancement. The State Government in Tamil Nadu is taking all steps to provide employment to the downtrodeen and weaker sections.

With these words I conclude.

DR. ASIM BALA (Navadwip) : Mr. Deputy-Speaker, Sir, unemployment problem is very acute in the country. This is the reason why large number of unemployed youth are taking to anti-social activities. They think that this is the only way in which they can manage to live when they do not get any employment. This is a very serious thing that is happening in the country affecting our social environment.

If the unemployment problem is to be solved, it has to be dealt with on priority basis. We must support the Government sector, public sector, private sector, big industries, medium and small industries, tiny indutries, and cottage industries which provide more employment in the rural areas where reside a large number of unemployed youth.

If we take the agriculture sector, workers are not provided full employment there. We do not have a proper plan to increase employment opportunities in agricultural sector for the unemployed youth. Apart from agriculture, there are fisheries, sericulture, fruit and vegetable cultivation, and horticulture which are all important areas of employment generation.

To generate employment it is very essential to develop infrastructure. Another area where we are lacking is rural roads. If we do not have proper roads, the communication systems will not work properly. Large sections of people are provided jobs if roads are laid up to the remote corners of the villages.

Railway line is another essential factor for employment generation. We the Members of Parliament keep demanding for railway lines because once a railway line is laid in an area several employment avenues open up. These are the important areas we have to concentrate on to combat the problem of unemployment.

We have to see which sector is best suited for a particular job. If you take the example of livestock, about 73 per cent of the rural population traditionally depend on livestock.

But if we have to take some scientific method to give training, it will provide employment to a large section of population of our country. This could solve especially protein and nutrition problem, among other things. This is in case of fishery. In my area, we have a large number of ponds. They have not been utilised. For rearing fish, we have to have a small number of cooperatives in a particular locality. Through cooperatives, we can run fisheries for a particular pond or for a particular area or for livestock or for poultry or for dairy or for bee or for so many things. Why am I giving more emphasis on livestock, especially goat rearing because the poorest of the poor people are rearing goats, if a family is having four or ten goats, that family can survive for the whole year. There is a shortage of funds everywhere. When we are searching for employment or anything, we can hear the hue and cry that there is no fund. How could we solve this problem The planner should think about how to get the fund, infrastructure facilities to solve the problem of unemployment.

As regards self-employment, some type of training system or procedure, training institution, small or big, even in the town, in the rural areas, is to be set up in different parts of the country. What happens after training? After the completion of the training they are not getting any help from any Bank or any other financial institutions for setting up their own business. They could not move, because they are not getting proper resources. Even in our Banks and other LIC and GIC Institutions, they are not giving proper help. Sometimes, GIC, Banks are coming up but there is some nexus between the officers and some bad people. In this sector if you take a very pragmatic plan and implement, then at least we can solve some of the unemployment. With these words, I complete my speech.

[Translation]

SHRI KALPANATH RAI (Ghodi) : First of all I want to thank Shri Prabhu Dayal Katheria for moving this resolution in the House which deals with the problems of unemployment. This is the one question on which the entire Parliament should devote, if possible, a week's time to discuss this problem and during the course of discussion apart from Members of Parliament all the Cabinet Ministers and even Prime Minister should be present in the House Problem of unemployment is the biggest problem of country. Our Members of Parliament, can not go back to their areas. If they go back to their areas they are surrounded by thousands of educated youth. Their parents also surround them to tell them that their wards are engineer, overseer or engineer in electronics and hence they should be given employment. Today the problem of unemployment has worsened to such an extent that lakhs of engineers and overseers are unemployed. Even Diploma Engineers and Degree Engineers are unemployed.

Today names of about five crore u
registered with the Employment Exc
country. Apart from them there are about
people who are unemployed. Today o
population of the country there are abou
persons who are healthy and can dc

they are without jobs. If 20 crore manpower of a country is not utilized how the country could become powerful. It has been said :

[English]

"With a view to check increasing unemployment and for generating more employment opportunities, this House urges upon the Government to —

(i) provide financial assistance to existing small scale industries;

(ii) set up new small scale industries and provide necessary infrastructural facilities like loans, electricity, marketing, etc. to such industries;

(iii) reserve certain areas of production for small scale industries; and

(iv) set up a National Craftsman Development Bank."

[Translation]

It has been stated that infrastructure should be created for these things. I would request all the members that today we need smaller industries in our country, we need medium sized industries, we need big industries, we have to manage smaller private sector industries or we want to manage Public Sector Units, we need power to run all these industries. There is power crisis in all parts of the country today. There is power crisis in U.P., Bihar, West Bengal, Orissa, Punjab. Sir, your Haryana is also facing power crisis. The entire country is facing power crisis. If electricity is not available industries cannot be run in the country and if we are not able to run Industry the unemployed would not get any work.

Sir, during the period of the Seventh Five Year Plan, when Shri Rajiv Gandhi was the Prime Minister it was decided to generate 22000 M.W. Electricity during 7th Five Year Plan. For the first time in the history of India 22 thousand M.W. Electricity was generated in the Seventh Five Year Plan. When in the year 1988 Shri Rajiv Gandhi got prepared an Approach Paper in consultation with Planning Commission for the Eight Five Year Plan, it was stated therein that India would need 48000 M.W. Electricity during the 8th Five Year Plan. Planning Commission pointed out that resources required for generating such a quantity of power are not available with the government. It should therefore be sealed down. Then it was decided during the year 1989 that 38 thousand M.W. Power would be generated during 8th Five Year Plan. Elections were held during the year 1989 and a government was formed. This government continued in the country upto June 1991, but generation be electricity could not increase in our country during those two years. Then another government came into existence during 1991. This government prepared a Blue print of the Eighth Five Year Plan and it was decided in consultation with all the Chief Ministers in the country as well as Members of the Planning Commission that resources were not available for generation of 48 thousand M.W. Electricity. Therefore 38 thousand M.W. Electricity would be produced during the Eighth Five Year Plan. Sir, Eighth Five Year Plan is close to end and we have been able to generate only 15-16 thousand M.W. Electricity during this period. With such a slow pace of generation how can we achieve the targets of our national growth, our small and medium industries would flourish how Private & Public Sector Undertakings could do any work and how crores of unemployed people in the country could get employment? This is a question on which we should have national consensus. There should be a nation-wide discussion on this amongst all the hon. Members. All the 542 Members of Parliament should express their views about this and a national consensus should be formed on the basis of these views and Planning Commission should formulate its schemes on the basis of those views.

Sir, all Members of Parliament are aware of the conditions prevailing in villages. If today a tractor goes out of order in villages no mechanic is available to repair the same. If a tubewell goes out of order there is no one to repair the same. There is no engineer available to attend complaints regarding electricity. Industrialisation is taking place in India at a great pace. Liberalisation is taking place and country is entering into industrial age. Therefore we need technically educated people. We will find 50-100 Graduate and Post-graduate in each village but you will not find even a single person to repair tractor, tubewell or electrical fuse. I am therefore to say that Planning Commission should make provision only for job related and job-oriented education after High School. Polytechnics and ITI's should therefore be opened in each block of the country. Only brilliant and toppers may go for graduation and post-graduation and all others may be provided technical education.

DR. ASIM BALA : Don't talk of stopping education.

SHRI KALPNATH RAI : I am not making a demand to stop education. If you listen carefully you will know that I am talking of job-related and job-oriented education.

Sir, what is happening today is that graduates and post-graudates are not able to secure clerical jobs. In my district about 10 thousand graduates and post-graduates appeared for 60 posts of Accountants.

SHRI RAJENDRA AGNIHOTRI (Jhansi) : How much money was spent on it.

SHRI KALPNATH RAI : The question of money is a separate matter ...*(Interruptions)*

PROF. RASA SINGH RAWAT : This is a result of wrong policies pursued by those who held reign of power during all those years since independence. ...*(Interruption)*

SHRI KALPNATH RAI : If you talk on that point and start reasoning I will say certain such things that you will become quite. You talk of national consensus. I am talking of national consesus. I am not interested in mud slinging unnecessarily.

SHRI OM PAL SINGH 'NIDAR' : This is alright. But now move further from national consensus.

SHRI KALPNATH RAI : We alone can not solve the problem. You are our friend. We are all Members of Parliament. All have problems. I am talking of the problems which they come across as Members of Parliament. I am a very busy person. I go from village to village and this is the reasons that I have again been elected as a Member with your prayers.

MR. DEPUTY SPEAKER : Shri Kalpnath Rai : Now come to the point.

SHRI KALPANATH RAI : Sir, may I request through you and convey my thanks to the Members who has moved the Resolution.

We have to consider that is the the greatest crisis before our country today. Today condition about irrigation facilities in the country is very bad. Through Shri Rawat I would like to submit that our country should provide highest priority to power generation in our country. People automatically setup Industries when power is available. Where electricity is not available there people who had taken loans are today facing financial crisis. They have migrated to Calcutta because whatever money they had has been ruined. 90 per cent of those who had taken loans for setting up small scale Industries are facing crisis, because their Industries have been ruined due to non-availability of power. They are running in losses. Hence, if the electricity problem is to the solved in the country, I request the government that the Planning Commission and the Central Cabinet should fix high target of power generation for the 9th Plan period and Members of Parliament should exert pressure on the government in this regard. We should fix a target to generate power in 9th Plan as per requirements.

Sir, today the country is also facing problem of environment. It has today become a matter of concern in whole of the world. 33 percent of the land area in India should be under forests. Today we are facing a lot of problems because of less forest coverage. Forest coverage in the country has come down to 11-12 percent. The Government should form a Land Army in the country consisting of 10 lakh youths. They should be provided training and entrustrd with the responsibility to plant trees on waste lands, on river banks and roads sides in order to improve environment. This land army should also be entrusted with the task of making 75 per cent unirrigated land in the country irrigable.

Sir, there are big rivers in our country. Certain areas in our country are as such where there is severe shortage of water in certain areas. Tamil Nadu and Karnataka are today fighting over water. There is water crisis before Punjab and Haryana. Rajasthan and Punjab are fighting over water. There are strikes in a number of States in country over question of drinking water. How to solve this problem. In India we have two sources for water, either through Rivers or through melting of ice. Hence water should be utilized for making India a prosperous country, for irrigation purposes, for drinking water purposes. Land Army consisting 10 lakh people should make efforts in this regard. Water from all the Rivers of India should be treated as a national assets. It does not belong to one Province but to the whole of country. The constitution of India should be amended in such a manner that all the countrymen get equal share of water. You may amend the constitution for this purposes, if so necessary. A National Scheme should be drawn up and arrangements should be made through Land Army. Greatest need is to generate power during Ninth Five Year Plan in order to solve problem of environment, provision of water for all the fields, to provide jobs to every body. The next steps we have to take up is that the government should set up at every district head quarters in the country a Krishi Science Centre, an I.T.I. and a Polytechnic and ITI and Polytechnic should be opened at Block level as well.

We should plan in such a manner so that we could find out the number of people we may be able to provide jobs during ninth plan period. Manpower should be trained as per requirements so that children could be provided the jobs as soon as they leave school. Problem of unemployment is increasing every day.

I want to say something about Members of Parliament. About 75 percent contestants had lost the elections held in 1989. These elections were held in 1991. 330 constituents, who were members earlier have lost elections during the recent elections. Wherever we go people ask as whether elections are going to be held early. The life of the Parliament should continue

upto 5 years. Members of Parliament are under attack from all sides. The whole political system is under attack.

All the beaurocrates in the country those who become IAS whatever government is there the services of these officers are not terminated. Judges of the judiciary also continue in their position. But politicians are under attack. I want to ask those persons that when fight for independence of India was being fought, how many Judges participated in the same, how many beaurocrates participated in that struggle? They were serving the Britishes till 12.00 in the night of 14th August. Crores of people participated in the struggle for freedom of the country, lakhs of people made sacrifices and got freedom from the country. That very freedom gave us Democracy. And in that democracy to-day our party may come to power and to-morrow some other party may come to power. This is not a bad thing but the regular attacks that we are witnessing on this democratic system are not good. I can say with challenge, we may be having difference of opinion amongst us, those who do wrong things may be punished by people. People are elected to Parliament after lot of sacrifices in the life. If the Parliament is dissolved early a number of M.P's do not get re-elected. Most of the people are elected as M.P. 2-3 times during whole of their life. There are hardly 2-3 per cent who are elected as M.P. 5-6 times. They will remain leaders whether they win elections or not but those who lose elections after remaining M.P. 1-2 times whether anybody consider any thing about them? Had Prime Minister been present here I would have asked him whether any concern is shown towards their plight?

If you come to my place at 9.00 a.m. you will see the number of people coming from Bihar, U.P., etc. to me to seek my help. I listen to them every day and then I have to write letters for their works. I have to make telephone calls. Sometimes I have to go to Ministers. You may imagin the sacrifice one has to make to get ticket from a party and become a Member of Parliament for 1-2 terms. There are good people as well as bad people in our country. In judiciary also there are good as well as bad people. Beaurocracy also consists of good as well as bad people. Society also, in 90 crores people also there are good as well as bad people. But raising fingers against one category is a conspiracy to finish democracy.

Parliamentary Democracy system is the best system even today. Democracy is the best system. The foundation of which system was laid by Mahatma Gandhi and freedom fighters who fought for freedom of our country is to-days also the best system of governance. It is our responsibility to strengthen that system and end social and economic exploitation in India through Democracy, to prepare crores of people of the country for making this nation strong and powerful. We have been elected to this sovereign Parliament as its member to fulfill this responsibility. I would like to fecilitate all the Members of Parliament. Whichever party they may belong to. Today the country has reached such a stage where we have to reach national consensus about problems before the Nation. ....*(Interruptions)*

MR. DEPUTY SPEAKER : Shri Kalpanath Rai I have seven names with me.

SHRI KALPNATH RAI : I will take one minute. Our population is continuously going up at a great pace and we the leaders of India are not able to make a law in this country in this regard. We do not take correct decision under pressures, due to policy of appeasement. China today is facing such a situation that the number of females has gone up in comparison to males. The Government of China has announced that those who will give birth to male children would be rewarded by the Government. In Malaysia ....*(Interruptions)*

MR. DEPUTY SPEAKER : How this is relevant to this Resolution?

SHRI KALPNATH RAI : Resolution is relevant in this way that if Family Planning Programme is not implemented in the country on war footing the number of unemployed may go upto such an extent that it may not be possible to give employment to them. Hence the Government should consider formulating a national population policy, an integrated economic policy and employment scheme for 90 crore people of the country based on National Consensus to be arrived at through Members of Parliament to make India a strong country. ....*(Interruptions)*

MR. DEPUTY-SPEAKER : You can not say much in this regard. Be seated.

SHRI S.P. JAISWAL (Varanasi) : Leaving one you felicitate others ....*(Interruptions)*

SHRI NAKLI SINGH (Saharanpur) : Sir, I have been elected from Saharanpur for the first time. I congratulate you to have given me a chance to speak ....*(Interruptions)*

MR. DEPUTY SPEAKER : There is nothing to congratulate in this. You can thank me.

SHRI NAKLI SINGH : I thank you. The Resolution moved by my friend Shri Prabhu Dayal Katheria is liked by everybody in the country.

The population of the country is nearing 100 crores

and the country is facing a serious crisis of unemployment. There are a number of countries in the world where population is less than the number of unemployed in this country. This is a very serious problem before our country. It is a pity that inspite of this resolution being very good and speakers being very good the number of people sitting here is very samll.

Why this charkha was given to us by Reverand Mahatma Gandhi? What was there in his mind when he was thinking of Swaraj? He had this in his mind that Small, Cottage and Agricultural Industries would prosper in this country. He worked in this direction. But what we find today is that today Bata is the biggest shoe maker in India. Similarly biggest blacksmith in the country is Tata. We are unable to understand whether this is the way we are fulfilling the dreams of our Policy Makers and helmsmen of our country. Whichever party is running the Government those things should not be allowed to be manufactured by Big Industries which can be manufactured by small scale and cottage industries. Cottage industries, small scale industries and agricultural based industries should therefore be encouraged and manufacture of such items by big industries should be banned. What we find todays is that items manufactured by small scale industries are finding it difficult to compete with items produced by big industries.

There are potters in villages which are called Prajapati. If they are provided loans and other facilities they can manufacture many good crockery. What we find today is that agricultural implements such as weeding hooks are being manufactured by big industries in large scale. If such things continue where poor blacksmiths of the country would go, where our weavers would go. You see how much the number of Jhompries has increased in our big cities. People come to cities in search of employment wherever they are themselves skilled. They don't have any work in villages, they do not get any employment. Hence they migrate to cities. A day may come when no one would be left in villages.

Rural people have lot of time at their disposal. During earlier days people belonging to Kahar Caste used to make baskets but today they do not possess enough money to do this work. It is also correct that there is power shortage. The Governrnent should provide facilities to rural people. Our population is about 90 crores. If this situation continues then what would be future of this country, we can well understand? People should therefore be provided with work. Cottage industries should be encouraged in this country. Big industries should be set up at those places where population is less. Our labourers have not much work. They should therefore be provided protection, financial assistance should be provided to them. Cottage industries and small scale industries should be set up on large scale in this country. It will help in removing unemployment and create such a condition in the country where people will learn to live with dignity.

Big bungalows are constructed in cities, but these big bungalows and 20-25 storey buildings are constructed by our labourers who come from villages and a number of times some people die from fall during construction period. But when the construction has been completed. 'No admission' boards are hung on the doors of these buildings. Our faces do not undergo much change even if we continue living in cities for 20 years. If one does not get respect, does not get economic security, cottage industries may not prosper.

Dhaka Musline produced in our country was known the world over. At no other place in the world such a fine cloth could be produced. Iron Pillar belonging to Mahabharat age is standing here which has not got rust even today. It shows that there is no dearth of talent in our country, but unemployment would increase in country with the coming of foreign companies to this country. I support this resolution and request the Government that serious consideration may be given to this resolution and such a resolution should be brought by the Government and implemented so that problem of employment in the country is solved once for all.

SHRI RAJENDRA AGNIHOTRI : Sir, I praise my colleague who has presented this resolution. I had tears in my eyes when this resolution was moved. After such a long of independence there are such big areas in the country which are bigger in area and population in comparison to Kerala, Punjab and Haryana which abound in natural resources and manpower and today these areas are facing regional imbalance. I would like to cite examples in this regard. Bundelkhand area consists of 17 districts 5 districts from part of U.P. and balance 12 districts from part of Madhya Pradesh. Today if the the area is afflicted by stravation and poverty and shortage of drinking water, what are the reasons for the same. The main reason for this condition is that youth of the area are unemployed. What is unemployment? Unemployment does not fall from the sky or it does not take birth from womb. This unemployment is such a system which is created by Society or State in its areas. Sometimes such things come before mind that one feels to revolt against system of Government.

Today agitations are being conducted at a number of smaller places in the country for creation of separate States, be it Uttaranchal in U.P. or Varanchal of Bihar. Similarly agitation is being conducted for creation of separate Bundelkhand State from U.P. and Madhya Pradesh. I think that agitation for creation of a sepa-

rate State Bundelkhand is the oldest agitation for creation of a separate State. I represent Jhansi, Lalitpur Parliamentary Con stituency and when I tour my constituency I do not get sleep during nights. Inspite of that we possess forest resources, inspite of fertile land being available large number of people in villages are without road, cloth and shelter over their heads. Bundelkhand is such area where people do not get drinking water for 4 months in a year. They have to drink water from dirty nallahs. What is the reason for this state of affairs. Inspite of such a long period of Government, be it a State Government or Delhi Government, it has not been possible to solve the problem of drinking water to 3.5 crore people of these 17 districts inspite of spending lot of money and planning. For four months they have to drink water from dirty Nallahs.

I am pained to say that people of Bundelkhand have to live on Mahua only for 4 months in a year. They possess forest resources, there are deposits of gold and silver in the region. In addition valuable minerals are available in Bundelkhand region. Lakhs of rupees are earned through this forest resources but this wealth is going to Lucknow and Bhopal where big majestic buildings are being constructed, but there is shortage of water in Bundelkhand.

Sir, I want to say that there are no Industries in 17 districts forming Bundelkhand. This area is bereft of Industries. In view of the situation prevailing there Agriculture based industries should be set up there. Industries based on natural resources should be set up there, but there is not a single industry in these areas of Bundelkhand. I want to tell you that the reason for employment in Bundelkhand area is not that youth of the area are not strengthy enough. They have strength in their arms, they have intellect but they are unemployed. I therefore want to say that if farmers of Bundelkhand area are provided with water in their fields, industries can be set up in the area and life in youth could change. Our fields are dry and not producing anything. The situation in Bundelkhand being such no capital formation is taking place there. The area in which there is no capital formation, how the youth of the area will get jobs. When there is no capital formation there will be unemployment in the area and there will be poverty. I want to raise this question in this House today that problem of unemployment is not going to be solved in this manner. I have been elected to this House for the third time. I have been a member of Legislative Assembly as well. I have heard the speech of Prime Minister. He cited the example of Karnataka and said that he provided drinking water facilities to the poorer people there. He described what he had done for development of small scale industries there. We are discussing Budget in the House. On one hand foreign companies are being permitted to set up industries in India while on the other hand poverty has caught hold of the country and youth of the country do not have any work to do. Moreover there is no spread of education in the country. There are no schools in a area of 10-15 km., no High School exists in 20-25 km. area and no Dispensaries in an area of 10-15 km. We are discussing Budget in the House but no provision is being made for the development of such areas. This is not my agony only. I am presenting agony and pain of the people of the area before the House so that the State Govt. ad the Central Govt. could invest in the development of the area. I want to say that a Backward Development Board may be set up exclusively for the area which abound in wealth and the said Board may take steps to set up small scale Agriculture based Industries in the area in order to alleviate poverty and unemployment in the area. We are not interested in foreign Companies to come and develop those areas. We need means, we need capital when we have these things, we have youth with us we can set up Agriculture based Industries. I can say this certainly that we are in a position to set up such industries at our own, such big areas can contribute a lot for creation of capital in the country. In fact there is a saying that the capital will flow downward.

MR. DEPUTY SPEAKER : Mr Agnihotri, one hour was allotted for this and it appears that is also over. Many more names are there with me in the list. Therefore if the House wishes it may extend it by one hour more...*(Interruptions)*

SHRI AMAR PAL SINGH : Yes, Sir, it may be extended by one hour more...*(Interruptions)* Time for General Budget is allotted from 6.00 p.m. onwards.

MR. DEPUTY SPEAKER : Yes, then it may be taken to next week.

SHRI RAJENDRA AGNIHOTRI : Sir, I need half an hour more to speak. I require half an hour more to express my feelings.

MR. DEPUTY SPEAKER : You will get this time next time.....*(Interruptions)*

SHRI AMAR PAL SINGH : Sir, time for general budget is allotted 6.00 onwards.

MR. DEPUTY SPEAKER : What is the Consensus of the House. I want to know whether the time is to be extended.

SHRI RAJENDRA AGNIHOTRI : Sir, take up the Budget at 6.00.

MR. DEPUTY-SPEAKER : It will start at 6.00.

SHRI AMAR PAL SINGH: Postpone it to meet Friday.

MR. DEPUTY-SPEAKER : Time for this topic is extended by one hour more. We will continue the discussion next time. Budget will be taken up at 6.00.

SHRI RAJENDRA AGNIHOTRI : Sir, the main reason for the present unemployment is the Regional imbalances in the country. The strength of the youth is not being put to use. It is going waste. They are sitting idle. Sons of farmers are without work. Mr. Rai was just mentioning that if a tractor goes out of orders there is nobody available in villages to repair the tractor. If a cycles goes out of order there is none to repair the same and this is a country of villages. When there is no prosperity in villages how you can remove unemployment from the country . If farmers in the country are not prosperous how economic machinery of the country can become strong. How you can remove unemployment from amongst youth of the country? How factories can run without problems in the country. When I was a student our teacher used to tell us what is produced by farmers. Farmer grows wheat. He grows corn, sugarcane, kapas, oilseeds. But when his produce goes in the hands of foreign powers, it goes in the hands of big Capitalists they become owners of property worth crores of rupees and the farmers who toil hard, has no cloth to wear. He has no prosperity. He does not get even meals for two times. If he falls ill, he has no money for his treatment. Today our farmers are not prosperous, because whatever he produces he does not get proper money for the same and when he does not get proper money he has no money in his pocket. If he has no money in his pocket who is going to purchase the things produced by small scale industries in the country? When the farmer has no money there will be no body to purchase the things produced by industries.

18.00 hrs.

The whole planning system is faulty. Sir, I want to say that when we discuss while sitting in this great court the youth of India also participate in the discussion. But he can not make arrangements for his meals, he cannot arrange for drinking water throughout the year, he can arrange for his medicines when he falls ill. When he moves in cities in search of employment he does not command any respect. He goes back to villages. The feelings he gets does not provide any proper directions.

MR. DEPUTY-SPEAKER : Shri Agnihotri you may continue next time.

[English]

Now we will resume discussion on General Budget.

18.01 hrs.

GENERAL BUDGET — 1996-97

GENERAL DISCUSSION — *Contd.*

[Translation]

SHRI AMAR PAL SINGH (Meerut) : I want to draw the attention of the hon. Minister towards Alternative Resources of Power. 80 lakh vehicles are running today in the world successfully with power alcohal. Brazil is the example in this regard. Experiments in our country are also being conducted since 1980 in Indian Institute of Petroleum at Dehra Dun for use of Alcohol. So far alcohol mixed vehicles have covered distance of 42 lakh k.m. It has been observed that efficiency of the engines increases with the use of alcohol, emission of smoke is less. I request the hon. Minister that a Relief Scheme may be drawn up to increase production of Power Alcohol. Sugarcane producers may also benefit from this scheme and import of petrol may also come down and there will be a saving of foreign exchange.

Exports in our country are being over invoiced and imports are being under invoiced. I am citing an example in this regard. Our industrialists are sending their money abroad through Hawala on 7 per cent commission and these companies evade Income Tax on the money by showing fake exports and they further avail Government incentives for export promotion. In software sector un-used floppies are being exported. No programmes are being exported. I would suggest to hon. Finance Minister that there is more need to activate Revenue Intelligence wing so that the country could be saved from over-invoicing of exports, under-invoicing of imports and fake exports.

Hon. Finance Minister has increased the allocation by 33 per cent for Police and Para Military forces. An additional provision of Rs. 950 crores has been made. Allocation for Police Force has now gone upto Rs. 4368.47 crores. Hon. Finance Minister has raised 37 crores in allocation for SPG engaged in providing security to ex-Prime Minister whereas allocation for Armed Forces have only been increased by 0.3 per cent. Keeping in view the rate of inflation increased allocation of Rs. 970 crores on Defence Budget is no increase in fact it is reduced allocations whereas the responsibilities for security of the whole country lies on our armed forces. China and Pakistan are encircling our